Kuwait and Saudi Arabia in lifting the ban on the import of mutton and buffalo meat from India; and

(b) the loss in foreign exchange suffered till December, 1985 as a result thereof?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) The Kuwait authorities have been requested to send a delegation to see the measures taken in India for export of quality meat and withdraw the ban on import of mutton and buffalo meat from India. In case of Saudi Arabia the ban is on import of buffalo meat only. It is proposed to take up the issue during the next meeting of the Indo-Saudi Joint Commission.

(b) Exports of buffalo meat to these countries have registered a decline. However, it is not possible to quantify the loss.

Kandla Free Trade Zone

938. SHRI VITHALBHAI MOTIRAM PATEL: Will the Minister of COMMERCE be pleased to refer to the answer to Unstarred Question 384 given in the Rajya Sabha on the 19th November, 1985 and state the progress made in the matter of setting up of a Central Authority to govern the Kandla Free Trade Zone and also other Export Processing Zones in the Country?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): For developing an optimal model for the Authority for export processing zones in India, experience of some of the zones in other countries has been ascertained and consultations held with agencies involved in the development of the zones in India. In the light of experience gained, various options have been evaluated for the organisation and structure of the Authority to be examined by concerned Ministries and Departments.

Trade agreement with USSR

939. SHRI R. SAMBASIVA RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether any agreement has recently been signed between India and the USSR to boost up trade; and

(b) if so, what are the details in this regard?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): A Trade Agreement allowing the rupee payment system between India and the Soviet Union to continue from 1st January, 1986 to 31st December, 1990 was signed on 23rd December, 1985. The salient features of the Trade Agreement which would help in the promotion of bilateral trade are given below:—

(1) All payments of commercial and non-commercial nature between India and the USSR will be effected in non-convertible Indian rupees. The trade will be conducted in such a way as to get balanced over a period of time;

(2) The Trade Agreement will be renewed automatically for subsequent periods of five years at a time, unless either party gives a written notice at least six months in advance to the other of its intenion to modify the Agreement;

(3) Both the Government have agreed to accord each other most-favoured-nation treatment with respect to imports and exports, custom duties and other taxes and charges connected with imports and exports;

(4) Both Governments shall facilitate each other's participation in trade fairs and exhibitions held in either country;

(5) With a view to further promoting and diversifying trade and economic cooperation, the two Governments have agreed to encourage